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SUBJECT: U/S JEFFERY CALLS FRENCH AMBASSADOR ON POSSIBLE MORATORIUM ON PLANTING GENETICALLY ENGINEERED CORN SEEDS

REF: PARIS 4170 AND PREVIOUS

- 1.(SBU) BEGIN SUMMARY: On October 25, Under Secretary for Economic, Energy, and Agricultural Affairs Reuben Jeffery III underscored to French Ambassador Pierre Vimont the importance of market access in France of U.S. genetically engineered (GE) products. Any decision France reaches through the Grenelle process, Jeffery stressed, should be consistent with EU law and WTO principles. Vimont acknowledged that France is constrained by EU law in this matter. He suggested that France is most likely to establish a scientific authority to look at the question of the use of GE products in France. END SUMMARY
- 2.(SBU) On October 25, U/S Jeffery called Ambassador Vimont to raise USG concerns about a possible French ban or moratorium on planting genetically engineered (GE) corn seeds. French farmers currently sow approximately 22,000 hectares with a Monsanto biotech variety. A ban or moratorium could cost the U.S. \$30-50 million in exports to France.
- 3.(SBU) In response to U/S Jeffery's inquiry about the status of a possible ban or moratorium on GE corn seeds, Vimont said that President Sarkozy will make the final decision on outcomes from the Grenelle process. Vimont assured that the French government would try to be as balanced as possible. He indicated that he understood that the decision would likely be to establish a scientific authority to look at the question of the use of GE products in France. He thought that any process established to reach final decisions on the use of GE products would be transparent and based on objective and scientific assessments. He added that it would also likely establish legal responsibilities regarding potential "pollution," including provisions for punishment of convicted polluters.
- 4.(SBU) U/S Jeffery made clear that market access for U.S. GE products is very important for our industry and for France's own farmers. He stressed that any decision France makes on the issue should conform to existing EU law and WTO rules and therefore not prohibit the use of GE products that are approved by the EC. Vimont acknowledged that France is constrained in this matter by existing European legislation, and advised that he would report U/S Jeffery's demarche to Paris upon his arrival (Vimont was departing for a trip to Paris on the evening of October 25). He added that U.S. biotech sector representatives had also contacted him regarding this issue.